UNITED

NATIONS

TD

United Nations Conference on Trade and Development

Distr.
GENERAL

TD/B/WP/120
9 August 1999
Original: ENGLISH

TRADE AND DEVELOPMENT BOARD
Working Party on the Medium-term Plan
and the Programme Budget
Thirty-fourth session
27 September -1 October 1999
Item 4(b) of the provisional agenda

FOLLOW-UP TO THE EVALUATION OF THE TRADE POINT PROGRAMME: TRADE POINT PROGRAMME STRATEGY

Executive Summary

The proposed strategy is focused on a limited number of objectives which aim essentially at building on the concrete results achieved so far and at enhancing the components of the Trade Point Programme which have proved operational. Two major orientations dominate the proposed strategy: ensuring the self-sustainability of the Trade Points and reducing dependence on UNCTAD resources; and ensuring the interconnectivity of Trade Points. The overall approach will be adapted in the light of the specific conditions prevailing at the country level and in individual Trade Points. The strategy is accompanied by a presentation of the time-frame, specific objectives and related performance indicators. Overall, the proposed strategy could be implemented within three years. The main activities involved relate to capacity development and the renovation of the GTPNet. Current regular budget resources are sufficient to backstop the activities described in the strategy, with the exception of those related to capacity development, for which extrabudgetary resources are required.

GE.99-52725

Introduction

1. Following its consideration of the in-depth evaluation of UNCTAD's Trade Point Programme (TPP), the Working Party on the Medium-term Plan and the Programme Budget at its thirty-third session, (i) decided that the implementation of the Trade Point Programme should be refocused on more realistic objectives, to concentrate primarily on the consolidation of the basic functions of the Programme as well as on providing the necessary support required by the Trade Points, (ii) invited the secretariat to prepare a Trade Point Programme strategy for further consideration by the Working Party, thereby paying particular attention to the content of the evaluation report and to the deliberations of the Working Party thereon; this strategy should contain proposals on the financial and technical feasibility of the implementation of the recommendations contained in the report, (iii) requested in this context that the secretariat prepare a comprehensive report detailing all the activities undertaken to implement various mandates entrusted to it since the inception of the Trade Point Programme, (iv) invited the Secretary-General to seek the views in particular of Trade Point managers and end-users on the proposals to be made by the secretariat with respect to the implementation of the recommendations contained in the evaluation report, and to advise on future actions aimed at enhancing programme delivery, especially with regard to the assistance to be provided to the Trade Points.[1]

2. The present document has been prepared in response to these requests. The views of member States on the recommendations of the TPP evaluation,[2] as reflected in the Chairman's summary[3] of the session of the Working Party, and those of a group of Trade Point managers, end-users and government experts acting in their personal capacity[4], have been taken into account in the preparation of this strategy.

I. OBJECTIVES OF THE PROGRAMME

3. The Trade Point Programme (TPP) was launched in 1992, at UNCTAD VIII, as part of the trade efficiency initiative with the following broad objectives:[5]

(a) Fostering greater participation in international trade, in particular of SMEs, giving special attention to LDCs and other countries less advanced in the area of trade efficiency;

---

[1] TD/B/WP/115 of 16 March 1999.

[2] TD/B/WP/110 of 5 October 1998.

[3] TD/B/WP/115 of 16 March 1999.

[4] TD/B/COM.3/24.

[5] TD/B/WG.2/7/Add.1 and TD/B/EX(8)/L.4, dated 7 October 1993 and 20 June 1995 respectively.

(b) Reducing transaction costs in international trade;

(c) Opening international trade to new participants, especially SMEs, by contributing to the simplification and harmonization of trade procedures worldwide and giving traders access to advanced technologies and information networks.

4. The work carried out in this framework allowed the identification of six areas in which obstacles for the participation of developing countries and SMEs in international trade could be removed. A set of practical solutions, contained in the "Recommendations and Guidelines for Trade Efficiency", were adopted by the United Nations International Symposium on Trade Efficiency, held in Columbus (Ohio, United States) in 1994 (TD/SYMP.TE/6). The Trade Points (TPs) and the Global Trade Point Network (GTPNet) were among the main tools for the practical implementation of the trade efficiency initiative.

5. At its initial stage, the TPP focused on support for the establishment of the physical network of TPs. This involved the establishment of "one-stop shops" (physical or virtual) providing all trade information and trade-supporting services necessary to conduct international trade. The rapid evolution in information technologies led to placing emphasis on (a) equipping Trade Points with effective tools to participate in global electronic commerce, particularly over the Internet, and (b) supporting cooperation among Trade Points at both the regional and the interregional levels. In this context, the support of several donors allowed the development of products such as the Electronic Trade Opportunity (ETO) and the Trade Point Internet Incubators, which aimed at helping Trade Points to progress gradually from providing pre-transactional services to becoming electronic commerce service providers. Support was also provided to initiatives to create regional Trade Point forums aimed at fostering information exchange and practical cooperation among Trade Points.

6. Currently there are 124 countries involved in the Trade Point Programme, and the total number of Trade Points in the world is 160, out of which the UNCTAD secretariat considers 54 to be operational while the others are at various levels of development.

II. ORIENTATIONS AND PRIORITIES OF THE STRATEGY

7. The proposed strategy is focused on a limited number of objectives and aims essentially at building on the concrete results achieved so far and at enhancing those components of the TPP which have proved operational. In this context, the strategy takes particular account of the latest developments in information technology, especially the tremendous evolution of the Internet, and the emergence of new electronic tools that can be used by TPs. In its implementation, the strategy will keep sight of the initial objectives of the TPP defined at UNCTAD VIII, which remain valid.

8. Two major interrelated orientations dominate the proposed strategy.

- The first aims to ensure the self-sustainability of the TPs and to reduce dependence on UNCTAD resources.

- The second seeks to strengthen the interconnectivity of the Trade Points, which is now largely facilitated by the development of the Internet.

The overall approach will be adapted in the light of the specific conditions prevailing at the country level and in individual Trade Points. Trade Points at the development stage, in particular in LDCs, will be supported to enable them to reach the operational level as quickly as possible. The focus will be on pre-transactional functions and the preparation of the necessary conditions to move gradually to trade facilitation activities. The operational TPs should enhance their trade facilitation dimension and move towards electronic commerce.

9. The modalities for implementing the proposed strategy are presented in the annex (TD/B/WP/120/Add.1)together with the time-frame, the specific objectives and the related performance indicators. Overall, the proposed strategy will be implemented within three years.

10. The main activities aimed at achieving the above objectives relate to:

(a) Capacity development, in particular training and the provision of key support services to assist Trade Points to reach the operational level and to become self sustainable;

(b) Renovation of the GTPNet to further assist Trade Points worldwide in providing value-added services to their clients and to facilitate inter-Trade Point exchanges.

A. Capacity development

11. The process of capacity development starts through an official request to UNCTAD for the establishment of Trade Points and/or the provision of technical assistance to strengthen the capacity of Trade Points to provide efficient services to their end users. UNCTAD advises the Government and the institution concerned on the issues involved in establishing or strengthening Trade Points and where necessary proposes specific measures, including technical cooperation, to that end.

12. Assistance from the UNCTAD Trade Point Programme in capacity building is perceived as the highest priority by Trade Points, since some 100 of them do not have specific skills required for the provision of Trade Point services, nor the specific experience in managing operations of a Trade Point-like entity. For this reason, the provision of appropriate tools to these Trade Points by the TPP[6] is essential. These tools should also facilitate access to the experience gained by and the best practices existing at Trade Points which are already operational.

13. One of the key longer-term objectives of the TPP is to ensure the self-sustainability of the programme and to reduce dependence on UNCTAD resources. A key element of this initiative is to support the establishment of regional Trade Point fora and, ultimately, an International Trade Point Federation.

---

[6] See recommendation in paragraph 56 of the in-depth evaluation (TD/B/WP/110 and Add.1).

14. In the first instance, workshops and training courses provided by the Trade Point Programme will be accompanied by simple and user-friendly manuals and/or interactive tutorials. Topics covered may include a guide to the development of a TP web site, to the effective operation of the ETO system and to trade facilitation services. The materials will be disseminated electronically through the mechanisms of the renovated GTPNet. The training course on the development of a TP website, designed by UNCTAD and successfully delivered in Ethiopia, Zambia and Romania, will be replicated in countries which face the most serious constraints in terms of local expertise, in particular in LDCs. A technical training course on the installation and use of the new GTPNet technologies will be prepared.

15. Tools that can assist Trade Points in enhancing their financial self-sustainability will be prepared[7]. They will include guides on potential income-generating products and services for Trade Points and to the use of the Internet as a business research and marketing tool.

16. ITC and UNCTAD will continue their cooperation in this area. ITC has been successfully delivering training courses to Trade Points on various aspects of trade information sources and management. Continuation of these courses, as well as their extension toward areas mentioned above (in particular income-generating services and use of the Internet for business purposes), would be most desirable.

17. UNCTAD's TRAINFORTRADE Programme will contribute through the provision of a training methodology incorporating the concept of "training of trainers", which would enable Trade Points to deliver courses to their clients on a sustainable local basis. The course on Trade Point management, as well as courses linked to electronic commerce, will complement these efforts. Distance learning will be used as much as possible for the delivery of courses, including through the envisaged knowledge management site of the renovated GTPNet.

18. A consolidated roster of consultants with sufficient experience in Trade Points or similar operations will be established. It will include experienced TP managers and operators and experts with a previous record of successful work for UN agencies cooperating on the Trade Point Programme who could provide the assistance required, in particular within individual regions. Cooperation with regional Trade Point fora will be sought to this end.

B. Renovation of the GTPNet

19. The GTPNet is at the heart of the Trade Point Network. The website either hosts or provides links to all Trade Point web sites. The site also contains a wide range of information on the TPP, individual TPs, trade efficiency and other related information. As the number of operational TPs has increased, the amount of business information available through the GTPNet has also increased. This is a significant change from the early days of the GTPNet site, when the site was mainly a marketing tool for the Trade Point concept.

---

[7] See recommendation in paragraph 64 of the in-depth evaluation.

20. The TP mirror sites and TP Incubator were set up initially to overcome bandwidth limitations and resource limitations in developing economies. With the rapid development of the Internet throughout the world over the last three years, most of these limitations have been overcome. In addition, the maintenance of TP mirror sites is complex and difficult to control from a quality perspective. Consequently, the number of TP mirror sites will be drastically reduced. The TP incubator will be maintained for as long as difficulties for the hosting of web sites persist in some developing countries.

21. The main purpose of renovating the GTPNet is to increase its value for its users, to maximize the potential that can be reaped from sharing technical development and information, and to ensure the maximum participation of all TPs in the Network. To this end, the GTPNet should open itself to new participants who can contribute to, and benefit from, the operation of the system. In this regard, particular efforts should be made to incorporate new participants from the private sector and from developed economies. These participants are expected to provide additional services and/or information by interconnecting their web sites with the GTPNet. Their access would be through the main web site or through a Trade Point.

22. The user-friendliness of and ease of access by individual TPs to the GTPNet is a priority aspect of its renovation, focusing on the delivery of all basic services of the GTPNet (TP websites, receipt and dissemination of ETOs, etc.). It is intended that these basic services will be fully available to all TPs, utilizing currently available equipment and technology. In addition, the TPP will significantly enhance the existing GTPNet to take advantage of emerging technologies and to provide more comprehensive information exchange and access facilities. It is intended that these enhanced features would be adopted by all TPs over time.

23. It is proposed to establish a basic technical framework for the GTPNet, which should be continuously enhanced through joint efforts of all interested participants. In the case of Trade Points information sharing would be achieved by maintaining a central database where information can be found more easily and faster. The information would be updated automatically through a dynamic process whenever it is updated locally.

24. The renovated ETO system will be an integral part of the GTPNet. Its design will take account of the recommendations contained in the in-depth evaluation report, the views expressed by Governments and those resulting from the discussions of the Trade Point managers, end users of Trade Points and government experts acting in their personal capacity at their meeting on 26 to 28 may 1999 in Geneva (see TD/B/COM.3/24).

25. The GTPNet website will host three types of information services:

(a) Trade-related information originating from individual Trade Points (updated dynamically), which will typically include a database of traders in the country (exporters and importers), market information, national information about trade regulations and trade agreements, contact addresses and information about relevant trade organizations and a listing of the services provided by each Trade Point.

(b) An open area for information exchange among all participants, which will cater for news groups, including a technology watch, user feedback, chat groups, discussion database,

knowledge database,[8] newsletters, announcements, etc. The discussion database will be a tool for individual Trade Points to submit questions regarding a problem they have encountered and for which the other Trade Points can offer advice. Once a solution has been found and has proven successful, the problem and the related solution will be added to the knowledge database. This section can also host information about tools and systems developed by individual Trade Points with conditions/prices for dissemination.

(c) General TPP information, which will be maintained by the central team. This will include such items as the list of Trade Points worldwide (with an indication of their development stage), relevant guidelines, documents, sample statutes and work plans, standard templates for Trade Point home pages, relevant international codes, information on trade facilitation, frequently asked questions (FAQ).

26. All information will be managed so that Trade Points and users can easily find the right information at the right time. For this purpose, the information will be indexed for full text search and will include user-defined fields (e.g. keyword, industry, topic area) so that a collection of information items can be sorted by meaningful criteria.

27. Information will not flow down from UNCTAD to Trade Points and users, but will bubble up across the GTPNet community. The information platform needs to be able to move that knowledge around the GTPNet so that all Trade Points and users have the latest information available on markets, products, services and regulations. Key information will be disseminated automatically, according to established user profiles, and specific subsets of databases will be dynamically replicated (the updated fields only) across the network when updates occur.

28. In order for such a system to work, it will be necessary for the central site and the individual Trade Points to use the same technology. This technology should also be available at the local level to allow individual Trade Points to share selected information with their users.

29. The renovated GTPNet will be technically open in order to facilitate and encourage development efforts of its users. It must also interface or integrate with other data management systems easily. The system will run on most common operating systems, and it must be largely hardware-independent.

30. Strict quality controls will be put in place to ensure that the quality of information on the site is maintained. It this respect, the GTPNet site will work towards the attainment of quality levels equivalent to ISO 9001.

III. FINANCIAL IMPLICATIONS

31. UNCTAD is maintaining the level of resources allocated to the TPP, namely four professional and two general service regular budget posts. These resources are sufficient to backstop the activities described in this strategy document.

---

[8] See recommendation in paragraph 25 of the in-depth evaluation.

32. The implementation of the activities described in section II.A. on capacity development will require the mobilization of extrabudgetary resources. The related resource requirements will be estimated for consideration by donors.

33. Initial steps towards the renovation of the GTPNet have been undertaken within existing regular budget resources. Costs for required services and highly qualified technicians with expertise in global networks and electronic commerce will eventually be covered from the 1998 savings. These additional resources will only be required for the initial setting-up of the renovated GTPNet, while maintenance and updating activities can be assured by the regular TPP staff.